

## Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01  
CIAE-00 COME-00 DODE-00 FPC-01 H-01 INR-07 INT-05  
L-03 NSAE-00 NSC-05 OMB-01 PM-05 USIA-06 OES-07  
SP-02 SS-15 STR-05 TRSE-00 ACDA-12 PA-01 PRS-01  
NEA-10 /120 W  
-----053512 050523Z /21

R 041248Z NOV 77  
FM AMEMBASSY LONDON  
TO SECSTATE WASHDC 0007  
INFO AMEMBASSY PARIS  
AMEMBASSY BONN  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
AMEMBASSY BRUSSELS

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E.O. 11652: N/A  
TAGS: ENRG UK  
SUBJECT: OIL WEST OF SHETLANDS

REF: LONDON 12752

1. BEGIN UNCLASSIFIED: A NEW TEXACO OIL FIND WEST OF  
THE SHETLAND ISLANDS, LABELED "MYSTERY FIND" IN THE  
FINANCIAL TIMES, KEEPS ALIVE SPECULATION OVER PROSPECTS  
FOR THE AREA. STILL, NO COMMERCIALY EXPLOITABLE FIELDS  
HAVE YET BEEN ANNOUNCED BY ANY FIRM, AND THOSE COMPANIES  
HAVING REPORTED OIL OR GAS FINDS, INCLUDING TEXACO, RE-  
MAIN PREDICTABLY SILENT WHILE EVALUATING THEIR DRILLING  
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RESULTS.

2. DISCOVERIES OF OIL OR GAS WHICH ARE NOW (A) DECLARED  
TO BE NONCOMMERCIAL OR (B) AS YET UNEVALUATED OR UN-  
ANNOUNCED, FORM A DIAGONAL LINE PARALLEL TO THE SHETLANDS  
AND RUNNING SOUTHWEST TO NORTHEAST SOME 30-45 MILES OFF-  
SHORE. ALL ARE IN WATER LESS THAN 600 FEET DEEP, I.E.,

NO DEEPER THAN FIELDS NOW BEING EXPLOITED IN THE NORTH SEA. IMMEDIATELY NORTHWEST OF THIS LINE OF DISCOVERIES, HOWEVER, THE SEABED DROPS AWAY TO DEPTHS WHICH ARE A MULTIPLE OF THE CONTINENTAL SHELF WATERS. WHILE SOME COMPANIES ARE DRILLING ELSEWHERE IN WATERS UP TO 1,500 FEET DEEP (E.G., WEST OF IRELAND), EXISTING PRODUCTION TECHNOLOGY WOULD LIMIT ANY CURRENT EXPLOITATION PROGRAMS TO THE MORE COMFORTABLE DEPTHS. SINCE EXPLORATION LICENSES WEST OF THE SHETLANDS ARE SCHEDULED TO BE RELINQUISHED TO HMG IN THE SPRING OF 1978 IF NO PRODUCTION PLANS ARE FORMULATED, THE UNCERTAINTIES OVER COMMERCIAL PROSPECTS FOR THE REGION SHOULD NOT DRAG ON INDEFINITELY. END UNCLASSIFIED.

3. BEGIN LIMITED OFFICIAL USE: WE HAVE LIGHTLY QUERIED SEVERAL BP OFFICIALS OVER THEIR EVALUATION OF THE BP FIND REPORTED IN REFTTEL, BUT THEY ARE TYPICALLY NON-COMMITAL. SEVERAL UK DEPARTMENT OF ENERGY (UKDOE) OFFICIALS AS WELL AS OTHER OIL COMPANY OFFICIALS OPERATING IN THE UK SAY THEY ARE PUZZLED OVER RESULTS TO DATE OF ALL DRILLING WEST OF THE SHETLANDS AND OVER THE ABILITY OF THE GEOLOGIC STRUCTURE OF THIS AREA TO HARBOR LARGE OIL OR GAS FIELDS. BUT IN THE NEXT FEW MONTHS THIS UNCERTAINTY SHOULD STOP. THE CONTINENTAL SHELF POLICY DIVISION OF THE UKDOE TELLS US IT IS "EXTREMELY UNLIKELY" THAT THE APPROACHING LICENSE LIMITED OFFICIAL USE

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RELINQUISHMENTS WILL BE EXTENDED. BY NEXT SPRING, THEREFORE, WE SHOULD SEE EITHER THE ANNOUNCEMENT OF SOME PRODUCTION PLANS OR THE ICING AWAY OF ACTIVITY WHILE LICENSES ARE TAKEN UP FOR POSSIBLE REDISTRIBUTION IN FUTURE LICENSING ROUNDS. BREWSTER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, EXPLORATORY DRILLING, LICENSES  
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**Copy:** SINGLE  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977LONDON18184  
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**Document Unique ID:** 00  
**Drafter:** n/a  
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**Expiration:**  
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**Message ID:** af1e2e22-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 77 LONDON 12752  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 715002  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OIL WEST OF SHETLANDS  
**TAGS:** ENRG, UK, TEXACO  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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